

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF THE UNION LIGHT) CASE NO. 7268-Z
HEAT AND POWER COMPANY)

O R D E R

On April 13, 1979, the Commission issued its Order in Case No. 7268, approving certain rates and providing under certain conditions for adjustment of such rates when the wholesale cost of gas is increased, decreased or a refund is received under the provisions of the Gas Cost Adjustment set forth therein.

On September 25, 1981, the Union Light, Heat and Power Company ("Applicant") notified the Commission that its wholesale cost of gas would be decreased by its supplier Columbia Gas Transmission Corporation ("Transmission") effective September 1, 1981.

The notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier in the amount of \$569,502 annually.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

1. The Applicant's supplier, Transmission, has filed with the FERC for decreased rates to become effective September 1, 1981.

2. This decrease reflects Transmission's rates as filed with FERC on September 15, 1981, and to be effective September 1, 1981.

3. The Commission should allow the Applicant to place into effect, the rates set out in Appendix A as soon as Transmission's filing is "accepted" by FERC.

4. The Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 7268, dated April 13, 1979, is fair, just, and reasonable, in the public interest and should be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by the Applicant and adjusted as aforesaid mentioned be and the same is hereby approved to be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective, as set out in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the Gas Cost Adjustment Clause of the Applicant the average cost shall be:

	<u>Per MCF</u>
Firm Sales	* 3.8259
Off-Peak	/ 3.5646

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on September 25, 1981, constitutes full

compliance with the Commission's Order in Case No. 7268, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of wholesale gas becomes effective Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of October, 1981.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7268-Z DATED OCTOBER 21, 1981

The following rates are prescribed for the customers in the area served by the Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the date of this Order.

RATE GS

Net Monthly Bill

	PGA ¢ Per 100 Cu. Ft.*	Rate
First 1,000 Cubic Feet at	16.52¢	61.07¢ per 100 Cubic Feet
Next 1,000 Cubic Feet at	16.52¢	48.49¢ per 100 Cubic Feet
Next 4,000 Cubic Feet at	16.52¢	45.57¢ per 100 Cubic Feet
Next 144,000 Cubic Feet at	16.52¢	44.59¢ per 100 Cubic Feet
Additional Cubic Feet at	16.52¢	43.93¢ per 100 Cubic Feet

Special Contract Gas Rates

<u>Off-Peak Rate</u>	PGA	Rate
All Consumption	17.40¢	40.70¢ per 100 Cubic Feet
<u>Firm Rate</u>		
All Consumption	16.52¢*	42.06¢ per 100 Cubic Feet

*Reflects Firm Refunding Rate of 1.10¢
as approved in Case No. 7268-Q